STATE OF IOWA DEPARTMENT OF COMMERCE IOWA UTILITIES BOARD

IN RE:

INVESTIGATION INTO A COMPREHENSIVE PLAN FOR IOWA'S TRANSMISSION GRID OF THE FUTURE DOCKET NO. INU-2021-0001

ADDITIONAL COMMENTS OF ITC MIDWEST LLC

On July 2, 2021, the Iowa Utilities Board ("Board") issued an order opening an investigation in this docket ("Order") that requested ITC Midwest LLC ("ITC Midwest"), and other entities, to submit information regarding its transmission planning. Specifically, the Board requested "written comments, information in regard to their current overall plan, and proposals for a joint overall plan." On August 2, 2021, ITC Midwest submitted its initial comments. A workshop was held by the Board on August 30, 2021. At that time, the Board indicated that parties would be allowed to file additional comments no later than September 10, 2021.

As ITC Midwest's initial comments were substantial, and ITC Midwest also joined in the extensive comments of the Joint Commenters, ITC Midwest's additional comments will be brief. ITC Midwest appreciates the clarification that the Board provided at the outset of the workshop: that this docket is primarily about gathering information to use in looking to the future of transmission in Iowa, but that this docket is not intended to limit, delay and deny any transmission project or projects, or to limit, delay or deny the generation projects that utilize such transmission.

In their written comments, nearly all transmission- or generation-operating parties, including ITC Midwest, encouraged the Board to take full advantage of the extensive information and processes available through Regional Transmission Organizations ("RTOs"), specifically Midcontinent Independent System Operator ("MISO") and Southwest Power Pool ("SPP"). Those processes already exist, the information is robust (even that available on fully public internet sites like the MISO generator interconnection queue site¹), and those entities take a broader regional view that ITC Midwest believes is important and appropriate.

ITC Midwest heard the Board and Office of Consumer Advocate ("OCA") respond, however, that staffing constraints make such involvement in multiple RTO processes challenging. While not a complete substitute, ITC Midwest notes that every transmission owner to comment at the workshop stated that they have a meeting at least annually, and in some cases more often, with stakeholders to discuss current and upcoming projects, business issues, coordination, trends, etc. For at least most of these commenters, the company listed the Board and OCA among the invited stakeholders. While these meetings are not a complete substitute for the RTO processes and information, ITC Midwest encourages the Board to take full advantage of these meeting opportunities, sending staff to the greatest extent available. These meetings can provide at least some of the things the Board appears to be seeking -- early notice well before a franchise filing of projects in the development pipeline, broader information about the company's portfolio of projects, and an opportunity to see examples of at least some of the coordination and discussion that is regularly taking place among the state's generation and transmission owners as well as representatives of large loads. Moreover, these meetings are more locally-focused and less formal in structure than RTO processes.

¹ https://www.misoenergy.org/planning/generator-interconnection/GI Queue/

Similarly, ITC Midwest and MidAmerican Energy both referred to quarterly meetings that used to occur with the Board regarding RTO matters and suggested those be reinstated. ITC Midwest took the Board's response to be positive, and ITC Midwest appreciates the Board's openness to reinstituting that channel of communication which will provide an opportunity for discussion of Board concerns or questions at a higher level than any single franchise docket.

The Board also discussed the need for processes that adequately protected landowners. ITC Midwest agrees. We are proud that 98% of all of our transmission easements are voluntary; having good long-term relationships with our host landowners is important to ITC Midwest both in a very practical sense and as one of our team's key values. Because ITC Midwest has and will have many projects over a long period of time, our reputation for safe, reliable service, treating landowners fairly, and respecting the regulatory processes that we operate in is critical to longterm success. Often, however, in practice the easy to identify values are in tension and require careful balancing between engineering needs, economic development policy, rate impacts, landowner impacts, safety, reliability, environmental impacts, and the various state and federal laws that govern transmission projects. For example, in a recent hearing the Board asked the question of where in the route study process landowners would have input. Most transmission owners, when they use a route study, do so to determine the preliminary route to propose at the public information meeting required by Board Rule 11.4. But Iowa Code chapter 478 and the Board's rules also prohibit any negotiation of an interest in land prior to those public information meetings, and there traditionally has been no bright line as to how much can and cannot be said about the route and the necessary easements so transmission owners have erred on the side of caution, avoiding most discussions with individual landowners until after the public informational meetings so nothing is misconstrued. The issue of whether landowners are best

served by the rule limiting conversations prior to the public information meeting came up at the workshop and the Board recognized the core balancing problem: allowing those conversations to happen earlier gives landowners more input on routing, but without benefit of the discussion of their rights that is the central content of the public information meetings. Any changes to the current processes will involve similar trade-offs and balancing of competing interests – and accordingly will carry the opportunity for unintended consequences to landowners, rate-payers, economic development, or reliability.

This reality suggests the need to move carefully and with substantial input from stakeholders if the Board decides, based on the information gathered in this docket, to seek changes in current processes for permitting transmission (and generation, as the two are related). Another example of this theme that also came up at the workshop was Board member Lozier's question about transmission "corridors." Such corridors would presumably be developed based on predictions about future generation, but also would in turn influence the location of future generation. There may be efficiencies, there may be fewer landowners impacted and with more advance notice and knowledge; but there are also trade-offs in that it may increase the impacts on the landowners in the corridor, and as MidAmerican Energy representative Dehn Stevens noted, there may be a trade-off with reliability of a large amount of transmission can be damaged by a single local event like a tornado. Moreover, if generation were encouraged to site on the corridor, you could end up with both a corridor and still have numerous other lines.² Again, the trade-offs and potential unanticipated consequences suggest moving carefully to allow adequate time to

² Although it is important to keep in mind that generation interconnection ("gen tie") lines are not the majority of franchise dockets. As ITC Midwest noted in its initial comments, only *two* of ITC Midwest's applications have been for gen-tie lines. Transmission policy still needs to serve the many other kinds of lines (upgrades, reliability, new local loads, etc.) as well.

hear, understand, and consider as many concerns and impacts as possible. The Board should also keep in mind that consistency and predictability have advantages for everyone involved in the process.

At the federal level and the state level, the future involves continuing electrification and the reduction of the carbon-impact of the energy used to power our standard of living. The future involves technological changes and increasing interconnectedness. The future involves increased sensitivity to the reliability impacts of outside forces – whether weather-related or cyber-related. While these changes surely will raise some challenging questions and delicate balancing along the way, all of them suggest the need for additional electric transmission: to connect new carbon-free generation to the grid and move that energy to markets near and far; to accommodate the increased load from electrification of transportation, appliances and industrial processes; to provide additional and updated redundant and resilient routes to overcome outside impacts; to maximize flexibility and minimize risk by allowing energy to flow regionally and nationally to wherever it is needed in that moment; and to encourage and facilitate additional economic growth and revenues to attract and retain Iowans through abundant jobs and a high quality of features like health care, education and entertainment that require electricity.

For all of these reasons, considering the transmission grid of the future is undeniably important. But the Board cannot – and is not – looking to that future in a vacuum. The FERC has established a federal-state transmission task force to consider the transmission grid of the future. MISO and other RTOs are continuously engaged in extensive regional planning looking at a wide array of models of the future. The more the Board can be a part of that larger puzzle rather than something entirely separate the more complete picture can be developed federally, regionally and in Iowa. ITC Midwest is willing and able to be a part of that process through

opportunities for further communication and education, through restoration of the quarterly MISO stakeholder meetings, and through our Partners in Business processes, and we look forward to continuing our work with the Board and to opening even more robust channels of communication going forward as we all work to create the best transmission grid of the future – and build the best future generally – for Iowa and beyond.

Respectfully submitted this 10th day of September, 2021.

By: /s/ Amy Monopoli

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ATTORNEYS FOR ITC MIDWEST LLC

CERTIFICATE OF SERVICE

The undersigned hereby certifies that on this 10th day of September, 2021 he had the foregoing document electronically filed with the Iowa Utilities Board using the EFS system which will send notification of such filing (electronically) to the appropriate persons.

/s/ Bret A. Dublinske

Bret A. Dublinske